

W.R. Grace & Co. - Chapter 11 Filing Entities**Combining Balance Sheet****MOR - 3****July 31, 2002**

	W.R. Grace & Co. - Conn	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 30,003,267	\$ -	\$ (168,285)	\$ -	\$ -	\$ -
Notes and accounts receivable, net	121,885,408	-	143,378	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	268,523,372	(388,847,585)	408,759	12,983,819	(27,821,010)	(9,474,520)
Inventories	81,917,062	-	-	-	-	-
Deferred income taxes	15,464,983	-	3,178,341	-	-	-
Asbestos-related insurance expected to be realized within one year	8,743,966	-	-	-	-	-
Other current assets	59,716,306	-	-	-	-	-
Total Current Assets	586,254,364	(388,847,585)	3,562,193	12,983,819	(27,821,010)	(9,474,520)
Properties and equipment, net	378,131,779	-	497,127	-	-	-
Goodwill, net	14,411,798	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	86,564,115	-	-	-	-	-
Deferred income taxes	723,796,664	-	44,101,884	-	-	-
Asbestos-related insurance expected to be realized after one year	274,943,452	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,049,081,912)	784,225,013	122,043,408	4,495,590	193,994,393	-
Investment in filing and non-filing entities	801,411,141	241,512,111	-	-	-	-
Other assets	310,372,815	-	-	-	-	-
Total Assets	\$ 2,126,804,216	\$ 636,889,539	\$ 170,204,612	\$ 17,479,409	\$ 166,173,383	\$ (9,474,520)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ 1,466,044	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	35,723,343	-	7,268	-	-	-
Income taxes payable	(1)	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	(0)	-	-	-	-	-
Other current liabilities	60,650,935	-	36,796	-	0	11,216
Total Current Liabilities	97,840,321	-	44,064	-	0	11,216
Long-term debt - DIP facility	(438,134)	-	-	-	-	-
Deferred income taxes	210,763,126	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	(0)	-	-	-	-	-
Other liabilities	296,826,765	0	0	-	(0)	-
Total Liabilities Not Subject to Compromise	604,992,078	0	44,065	-	0	11,216
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	532,829,842	-	-	-	-	-
Accounts payable	31,305,391	-	661,028	-	-	-
Income taxes payable	167,822,942	26,218,919	1,306,235	45,285	8,279,810	(313,066)
Asbestos-related liability	979,545,376	-	-	-	-	-
Other liabilities	372,997,799	188,091	134,736,935	-	32,238,829	-
Total Liabilities Subject to Compromise	2,084,501,350	26,407,010	136,704,198	45,285	40,518,639	(313,066)
Total Liabilities	2,689,493,428	26,407,010	136,748,262	45,285	40,518,639	(301,850)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	83,968,960	769,612	12,223	1,000	-	1,000
Paid in capital	142,809,878	429,352,702	9,724,449	34,052,467	56,011,577	-
(Accumulated deficit)/Retained earnings	(594,878,038)	317,355,075	23,719,678	(16,619,342)	69,643,167	(9,173,671)
Treasury stock, at cost	-	(136,994,960)	-	-	-	-
Accumulated other comprehensive loss	(194,590,011)	100	-	-	-	-
Total Shareholders' Equity (Deficit)	(562,689,212)	610,482,529	33,456,350	17,434,124	125,654,744	(9,172,671)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 2,126,804,216	\$ 636,889,539	\$ 170,204,612	\$ 17,479,409	\$ 166,173,383	\$ (9,474,520)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities**Combining Balance Sheet****MOR - 3****July 31, 2002**

	Litigation Management, Inc.	Grace Europe, Inc.	L B Realty, Inc.	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewite Land Corporation
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 2,332,962	\$ -
Notes and accounts receivable, net	-	79,067	-	-	2,393,183	-
Receivables from/(payables to) filing and non-filing entities, net	(388,499,848)	5,819,978	140,472,269	(73,251,785)	(469,895)	(5,156,177)
Inventories	-	(0)	-	-	200,059	-
Deferred income taxes	-	71,749	-	-	17,655	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	2,219	-
Total Current Assets	(388,499,848)	5,970,794	140,472,269	(73,251,785)	4,476,184	(5,156,177)
Properties and equipment, net	-	-	-	-	825,243	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	38,161	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	445,515,183	(3,442,311)	-	(16,840,073)	-	-
Investment in filing and non-filing entities	-	-	-	58,669,464	-	-
Other assets	-	54,000	-	-	166,304	1,137,188
Total Assets	\$ 57,015,335	\$ 2,620,644	\$ 140,472,269	\$ (31,422,394)	\$ 5,467,730	\$ (4,018,988)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	(0)	-	-	111,385	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	349,787	(5,613)	-	190,281	-
Total Current Liabilities	-	349,786	(5,613)	-	301,666	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	0	-	-	141,872	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	349,787	(5,613)	-	443,538	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	21,256	-	-	133,907	-
Income taxes payable	17,309,383	(676,569)	(47,122)	(5,090,296)	642,070	(175)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	204,996	-	-	-	-
Total Liabilities Subject to Compromise	17,309,383	(450,317)	(47,122)	(5,090,296)	775,977	(175)
Total Liabilities	17,309,383	(100,530)	(52,735)	(5,090,296)	1,219,516	(175)
Shareholders' Equity (Deficit)						
Preferred Stock	112	-	-	-	-	-
Common Stock	1,000	1,000	-	1,000	1,000	200
Paid in capital	(29,267,410)	-	25,358,993	44,767,489	-	274,606
(Accumulated deficit)/Retained earnings	68,972,250	(424,010)	115,166,011	(33,328,648)	4,247,215	(4,293,619)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	3,144,184	-	(37,771,939)	-	-
Total Shareholders' Equity (Deficit)	39,705,952	2,721,174	140,525,004	(26,332,098)	4,248,215	(4,018,813)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 57,015,335	\$ 2,620,644	\$ 140,472,269	\$ (31,422,394)	\$ 5,467,730	\$ (4,018,988)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities**Combining Balance Sheet****MOR - 3****July 31, 2002**

	Alewife Boston Ltd.	Five Alewife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(2,143,455)	-	(57,817,172)	(50)	(160)	(1,585)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(2,143,455)	-	(57,817,172)	(50)	(160)	(1,585)
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	34,053,467	54,500,000	54,500,000	56,011,577
Other assets	-	-	-	-	-	-
Total Assets	\$ (2,143,455)	\$ -	\$ (23,763,706)	\$ 54,499,950	\$ 54,499,840	\$ 56,009,992
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(85)	-	-	(50)	(160)	(496)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(85)	-	-	(50)	(160)	(496)
Total Liabilities	(85)	-	-	(50)	(160)	(496)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	931,540	1	130	130
Paid in capital	-	-	9,408,460	54,499,999	54,499,870	54,499,870
(Accumulated deficit)/Retained earnings	(2,143,370)	-	(34,103,706)	-	-	1,510,488
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(2,143,370)	-	(23,763,706)	54,500,000	54,500,000	56,010,488
Total Liabilities and Shareholders' Equity (Deficit)	\$ (2,143,455)	\$ -	\$ (23,763,706)	\$ 54,499,950	\$ 54,499,840	\$ 56,009,992

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	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern Oil, Resin & Fiberglass, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 33,024	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	-	(26,718,392)	57,347,191	(7,288,696)	-	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	33,024	(26,718,392)	57,347,191	(7,288,696)	-	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	1,630,940	-	-	-	-	-
Total Assets	\$ 1,663,964	\$ (26,718,392)	\$ 57,347,191	\$ (7,288,696)	\$ -	\$ -
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	551,649	5,000	-	-	-	-
Total Current Liabilities	551,649	5,000	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	551,649	5,000	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	(104,565)	10,346,794	(5,100)	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	-	(104,565)	10,346,794	(5,100)	-	-
Total Liabilities	551,649	(99,565)	10,346,794	(5,100)	-	-
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	-	5,150	-	-
Paid in capital	1,104,954	859,233	3,671,658	5,144,850	-	-
(Accumulated deficit)/Retained earnings	7,361	(27,478,060)	43,427,950	(12,433,596)	-	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	(99,212)	-	-	-
Total Shareholders' Equity (Deficit)	1,112,315	(26,618,827)	47,000,396	(7,283,596)	-	-
Total Liabilities and Shareholders' Equity (Deficit)	\$ 1,663,964	\$ (26,718,392)	\$ 57,347,191	\$ (7,288,696)	\$ -	\$ -

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W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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	Guanica-Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.	Grace Tarpon Investors, Inc.	G C Limited Partners I, Inc.	Monolith Enterprises, Incorporated
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	5,824,344	(102,989)	(1,119,043)	10,284,334	540	(2,417,464)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	5,824,344	(101,989)	(1,119,043)	10,284,334	540	(2,417,464)
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	94,022	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 5,824,344	\$ (7,966)	\$ (1,119,043)	\$ 10,284,334	\$ 540	\$ (2,417,464)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	3	-	-
Total Current Liabilities	-	-	-	3	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	3	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(50)	-	(50)	(350)	(350)	(200)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(50)	-	(50)	(350)	(350)	(200)
Total Liabilities	(50)	-	(50)	(347)	(350)	(200)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	2,000	29,000	1,000	1,000	26,000
Paid in capital	5,823,446	-	-	3,136,087	-	9,988,414
(Accumulated deficit)/Retained earnings	(52)	(9,966)	(1,147,993)	7,147,595	(110)	(12,431,678)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	5,824,394	(7,966)	(1,118,993)	10,284,682	890	(2,417,264)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 5,824,344	\$ (7,966)	\$ (1,119,043)	\$ 10,284,334	\$ 540	\$ (2,417,464)

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July 31, 2002

	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(26,312,455)	(5,132,534)	(3,350,574)	(2,509,789)	900	(1,230,598)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(26,312,455)	(5,132,534)	(3,350,574)	(2,509,789)	900	(1,230,598)
Properties and equipment, net	-	-	-	-	-	1,184,871
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ (26,312,455)	\$ (5,132,534)	\$ (3,350,574)	\$ (2,509,789)	\$ 900	\$ (45,727)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	(419)	(50)	(150)	(50)	(15)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	-	(419)	(50)	(150)	(50)	(15)
Total Liabilities	-	(419)	(50)	(150)	(50)	(15)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	1,000	1,000	1,000	50
Paid in capital	-	-	-	-	-	50
(Accumulated deficit)/Retained earnings	(26,312,455)	(5,132,115)	(3,351,524)	(2,510,639)	(50)	(45,812)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(26,312,455)	(5,132,115)	(3,350,524)	(2,509,639)	950	(45,712)
Total Liabilities and Shareholders' Equity (Deficit)	\$ (26,312,455)	\$ (5,132,534)	\$ (3,350,574)	\$ (2,509,789)	\$ 900	\$ (45,727)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities**Combining Balance Sheet****MOR - 3****July 31, 2002**

	W.R. Grace Land Corporation	G C Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	36,708,687	25,045	(73,001)	(12,559,443)	174,205	(19,464,242)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	36,708,687	25,045	(73,001)	(12,559,443)	174,205	(19,463,742)
Properties and equipment, net	-	-	-	-	438,445	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	6,284,806	-	-	-	-	-
Other assets	-	-	-	-	-	4,066
Total Assets	\$ 42,993,493	\$ 25,045	\$ (73,001)	\$ (12,559,443)	\$ 612,650	\$ (19,459,676)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	4,066
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	199	-
Total Current Liabilities	-	-	-	-	199	4,066
Long-term debt - DIP facility	-	-	-	-	438,134	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	438,333	4,066
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(449)	-	(50)	(190)	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(449)	-	(50)	(190)	-	-
Total Liabilities	(449)	-	(50)	(190)	438,333	4,066
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	5,000	-	1,000	85,539	1,000	5,000
Paid in capital	19,577,160	-	-	6,541,055	4,000	6,000,000
(Accumulated deficit)/Retained earnings	23,411,782	25,045	(73,951)	(19,185,847)	169,317	(25,468,742)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	42,993,942	25,045	(72,951)	(12,559,253)	174,317	(19,463,742)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 42,993,493	\$ 25,045	\$ (73,001)	\$ (12,559,443)	\$ 612,650	\$ (19,459,676)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities**Combining Balance Sheet****MOR - 3****July 31, 2002**

	Creative Food N' Fun Company	Grace PAR Corporation	Grace A-B Inc.	Homco International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	23,479,749	6,345,536	810,350	(59,581,487)	(100)	(86,661)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	23,479,749	6,345,536	810,350	(59,581,487)	(100)	(86,661)
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 23,479,749	\$ 6,345,536	\$ 810,350	\$ (59,581,487)	\$ (100)	\$ (86,661)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(399)	(125)	(250)	(255)	(100)	(50)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(399)	(125)	(250)	(255)	(100)	(50)
Total Liabilities	(399)	(125)	(250)	(255)	(100)	(50)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,090,000	1,000	1,000	303,000	-	-
Paid in capital	33,631,999	18,090,032	-	37,765,000	-	1,900,000
(Accumulated deficit)/Retained earnings	(11,241,851)	(11,745,371)	809,600	(97,649,232)	-	(1,986,611)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	23,480,148	6,345,661	810,600	(59,581,232)	-	(86,611)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 23,479,749	\$ 6,345,536	\$ 810,350	\$ (59,581,487)	\$ (100)	\$ (86,661)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities**Combining Balance Sheet****MOR - 3****July 31, 2002**

	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Cosgrace, Inc.	Grace A-B II Inc.	Grace H-G II Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	352,712,759	4,384,362	(15,750,664)	5,297,049	875,519	(5,104)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	352,712,759	4,384,362	(15,750,664)	5,297,049	875,519	(5,104)
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(35,903,123)	(14,135,725)	-	-	-	-
Investment in filing and non-filing entities	187,272,210	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 504,081,846	\$ (9,751,363)	\$ (15,750,664)	\$ 5,297,049	\$ 875,519	\$ (5,104)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	(5,310)	-	-	-	-
Total Current Liabilities	-	(5,310)	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	(5,310)	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(59)	(50)	-	(150)	(150)	(50)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(59)	(50)	-	(150)	(150)	(50)
Total Liabilities	(59)	(5,360)	-	(150)	(150)	(50)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	1,000	(114,960)	100	1,000	1,000
Paid in capital	451,425,156	(2,089,027)	34,215,000	-	-	-
(Accumulated deficit)/Retained earnings	52,655,749	(7,657,976)	(49,850,704)	5,297,099	874,669	(6,054)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	504,081,905	(9,746,003)	(15,750,664)	5,297,199	875,669	(5,054)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 504,081,846	\$ (9,751,363)	\$ (15,750,664)	\$ 5,297,049	\$ 875,519	\$ (5,104)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities**Combining Balance Sheet****MOR - 3****July 31, 2002**

	Coalgrace II, Inc.	Gracoal II, Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axial Basin Ranch Company
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	108,290	130,478,268	145,501,866	(81,114,843)	47,407,856	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	108,290	130,478,268	145,501,866	(81,114,843)	47,407,856	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 108,290	\$ 130,478,268	\$ 145,501,866	\$ (81,114,843)	\$ 47,407,856	\$ -
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	28,415,346	28,415,346	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	28,415,346	28,415,346	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(150)	874,850	874,950	(210)	(50)	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(150)	874,850	874,950	(210)	(50)	-
Total Liabilities	(150)	29,290,196	29,290,296	(210)	(50)	-
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	1,000	100	124,473	1,000	-
Paid in capital	-	30,293,750	13,880,108	51,173,713	7,308,934	-
(Accumulated deficit)/Retained earnings	107,440	70,893,322	102,331,362	(132,412,819)	40,097,972	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	108,440	101,188,072	116,211,570	(81,114,633)	47,407,906	-
Total Liabilities and Shareholders' Equity (Deficit)	\$ 108,290	\$ 130,478,268	\$ 145,501,866	\$ (81,114,843)	\$ 47,407,856	\$ -

Note #3

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W.R. Grace & Co. - Chapter 11 Filing Entities**Combining Balance Sheet****MOR - 3****July 31, 2002**

	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities	Conversion to Equity Method	Reporting Reclasses
ASSETS					
Current Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	-	-	-	-	-
Inventories	-	-	-	-	-
Deferred income taxes	-	-	-	-	(8,909,234)
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-
Other current assets	-	-	-	-	-
Total Current Assets	-	-	-	-	(8,909,234)
Properties and equipment, net	-	-	-	-	-
Goodwill, net	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-
Deferred income taxes	-	-	-	-	(267,735,690)
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-
Investment in filing and non-filing entities	-	-	(1,315,702,717)	15,833,424	-
Other assets	-	-	(1,104,954)	-	-
Total Assets	\$ -	\$ -	\$ (1,316,807,671)	\$ 15,833,424	\$ (276,644,924)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)					
Liabilities Not Subject to Compromise					
Current Liabilities					
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-
Income taxes payable	-	-	-	-	5,000,000
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-
Other current liabilities	-	-	-	-	(19,609,234)
Total Current Liabilities	-	-	-	-	(14,609,234)
Long-term debt - DIP facility	-	-	-	-	-
Deferred income taxes	-	-	-	-	(267,735,690)
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-
Other liabilities	-	-	-	-	(75,100,000)
Total Liabilities Not Subject to Compromise	-	-	-	-	(357,444,924)
Liabilities Subject to Compromise					
Debt, pre-petition plus accrued interest	-	-	-	-	-
Accounts payable	-	-	-	-	-
Income taxes payable	-	-	-	-	-
Asbestos-related liability	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total Liabilities Subject to Compromise	-	-	-	-	-
Total Liabilities	-	-	-	-	(357,444,924)
Shareholders' Equity (Deficit)					
Preferred Stock	-	-	-	-	-
Common Stock	-	-	(86,493,960)	-	-
Paid in capital	-	-	(1,192,373,672)	-	-
(Accumulated deficit)/Retained earnings	-	-	(37,940,039)	63,684,779	75,100,000
Treasury stock, at cost	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	(47,851,354)	5,700,000
Total Shareholders' Equity (Deficit)	-	-	(1,316,807,671)	15,833,424	80,800,000
Total Liabilities and Shareholders' Equity (Deficit)	\$ -	\$ -	\$ (1,316,807,671)	\$ 15,833,424	\$ (276,644,924)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.